#### UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, DC 20436

# MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 111<sup>th</sup> Congress <sup>1</sup>

[Date approved: April 23, 2010]<sup>2</sup>

**Bill No. and sponsor:** S. 2109 (Mr. Christopher S. Bond of Missouri).

Proponent name,<sup>3</sup> location: Bayer CropScience, LLP., Research Triangle Park, NC.

Other bills on product (111th Congress only): None.

Nature of bill: Temporary duty reduction through December 31, 2011.

Retroactive effect: None.

### Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Mixtures of 1-[(6-Chloro-3-pyridinyl)methyl]-N-nitro-2-imidazolidinimine (imidacloprid) (CAS No. 138261-41-3) with ((R)-cyano-(4-fluoro-3-phenoxy)phenyl)methyl (1R,3R)-3-(2,2-dichloroethenyl)-2,2-dimethylcyclopropane-1-carboxylate (cyfluthrin) (CAS No. 68359-37-5) or its  $\beta$ -cyfluthrin isomer, including application adjuvants (provided for in subheading 3808.91.25).

Check one:	Same as that in bill as introduced.
	X Different from that in bill as introduced (see Technical comments section)

#### Product information, including uses/applications and source(s) of imports:

The subject product is an insecticide that is used to combat a number of insects in commercial field crops, such as soybeans. The product is imported from Germany, China, and India.<sup>4</sup>

Industry analyst preparing report: Stephen Wanser (202-205-3363); Tariff Affairs contact: David G. Michels (202-205-3440).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff affairs/congress reports/.

<sup>&</sup>lt;sup>3</sup> The sponsor/proponent did not identify any additional beneficiaries of this bill.

<sup>&</sup>lt;sup>4</sup> Imports of the subject product from India are eligible for duty-free treatment under the Generalized System of Preferences.

# Estimated effect on customs revenue for the subject product classifiable in HTS subheading 3808.91.25:

$\searrow$	2010	2011	2012	2013	2014
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value dutiable imports <sup>a</sup>	\$11,926,000	\$11,926,000	\$11,926,000	\$11,926,000	\$11,926,000
Customs revenue loss b c	\$488,966	\$488,966	\$488,966	\$488,966	\$488,966

<sup>&</sup>lt;u>a</u>/ Dutiable import estimates were provided by industry sources.

#### Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Bayer CropScience, LLP (Proponent) Jean Reimers, 202-756-3779 jean.reimers@bayercropscience.com Michael Gill, 202-508-8843 Mgill@crowell.com	11/20/2009	No	No	No
Arkema Inc. (Atofina) Brian Sowa, 202-467-5459 Brian@strategicmi.com	11/20/2009	No	No	No
BASF Corp. Greg Thies, 202-299-7240 gregory.thies@basf.com	11/20/2009	No	No	No
Chemtura Corporation Matt Mattingley, 202-841-5601 matt@mattingleygroup.com	11/20/2009	No	No	No
CropLife America Doug Nelson, 202-872-3880 dnelson@croplifeamerica.org,	11/20/2009	No	No	No
Dow AgroSciences Max Turnipseed, 225-338-0310 mctint@att.net Lisa Schroeter, 202-429-3407 lmschroeter@dow.com	11/20/2009	No	No	No

<sup>&</sup>lt;u>b</u>/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

c/ The estimated customs revenue loss is based on a temporary reduction of the general rate of duty from 6.5 percent ad valorem to 2.4 percent ad valorem, a reduction of 4.1 percentage points.

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
DuPont	11/20/2009	No	No	No
Elaine Olsen, 302-992-2263				
elaine.m.olsen@usa.dupont.com				
FMC Corp.	11/20/2009	No	No	No
Jerry Prout, 202-956-5209				
jerry.prout@fmc.com				
Steve Ziehm, 202-872-8181				
sziehm@igc.com				
Gowan Company	11/20/2009	No	No	No
Cindy Baker, 928-819-1554				
cbaker@gowanco.com				
George Rolofson, 336-580-1116				
grolofson@triad.rr.com				
Makhteshim Agan of North America, Inc.	11/20/2009	No	No	No
Scott Rawlins, 443-762-5377				
scottr@manainc.com	11/20/2000			
Monsanto Corp.	11/20/2009	No	No	No
Michael Parrish, 202-383-2859				
michael.parrish@monsanto.com	11/20/2000	N	N. 1	N.T.
Nufarm Limited	11/20/2009	No	No	No
Joel R. Junker, 206-621-7878				
joel@jrjtradelaw.com				
emily@jrjtradelaw.com	11/20/2000	N	N	N
Solutia Inc.	11/20/2009	No	No	No
Kassie Wooton, 314-674-3297 kdwoot@solutia.com				
$\smile$				
Robert Hurley, 202-289-9800 rhurley@theaccordgroup.com				
Syngenta Crop Protection, Inc.	11/20/2009	No	No	No
Angus Kelly, Fax: 336-632-6084	11/20/2009	NO	NO	NO
angus.kelly@syngenta.com				
United Phosphorus Inc.	11/20/2009	No	No	No
Diane Fago, 610-491-2816	11/20/2009	110	110	110
diane.fago@uniphos.com				
Valent USA Corp.	11/20/2009	No	No	No
Robin Demouth, 925-256-2758	11/20/2007	110	110	110
robin.demouth@valent.com				

## Technical comments:5

The Commission staff suggests the modified description on page 1 of this report be used to reflect appropriate chemical nomenclature.

The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.



#### 111TH CONGRESS 1ST SESSION

# S. 2109

To reduce temporarily the duty on mixtures of imidacloprid ((1-[(6-Chloro-3-pyridinyl)methyl]-N-nitro-2-imidazolidinimine) with cyfluthrin ((R)-cyano-(4-fluoro-3-phenoxy)phenyl)methyl (1R,3R)-3-(2,2-dichloroethenyl)-2,2-dimethylcyclopropane-1-carboxylate) or its beta-cyfluthrin isomer.

## IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

Mr. Bond introduced the following bill; which was read twice and referred to the Committee on Finance

# A BILL

To reduce temporarily the duty on mixtures of imidacloprid ((1-[(6-Chloro-3-pyridinyl)methyl]-N-nitro-2-imidazolidinimine) with cyfluthrin ((R)-cyano-(4-fluoro-3-phenoxy)phenyl)methyl (1R,3R)-3-(2,2-dichloroethenyl)-2,2-dimethylcyclopropane-1-carboxylate) or its beta-cyfluthrin isomer.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,

1	SECTION 1. MIXTURES OF IMIDACLOPRID ((1-[(6-CHLORO-3-				
2	PYRIDINYL)METHYL]-N-NITRO-2-				
3	IMIDAZOLIDINIMINE) WITH CYFLUTHRIN ((R)-				
4	CYANO-(4-FLUORO-3-PHENOXY)PHENYL)				
5	METHYL (1R,3R)-3-(2,2-DICHLOROETHENYL)-				
6	2,2-DIMETHYLCYCLOPROPANE-1-				
7	CARBOXYLATE) OR ITS BETA-CYFLUTHRIN				
8	ISOMER.				
9	(a) In General.—Subchapter II of chapter 99 of				
10	the Harmonized Tariff Schedule of the United States is				
11	amended by inserting in numerical sequence the following				
12	new heading:				
	" 9902.01.00 Mixtures of imidacloprid ((1- [(6-Chloro-3- pyridinyl)methyl]-N-nitro-2- imidazolidininine) (CAS No. 138261-41-3) with cyfluthrin ((R)-cyano-(4- fluoro-3- phenoxy)phenyl)methyl (1R,3R)-3-(2,2- dichloroethenyl)-2,2- dimethylcyclopropane-1- carboxylate) (CAS No. 68359-37-5) or its beta- cyfluthrin isomer, including application adjuvants (pro- vided for in subheading 3808.91.25)				

13 (b) EFFECTIVE DATE.—The amendment made by 14 subsection (a) applies to goods entered, or withdrawn from 15 warehouse for consumption, on or after the 15th day after 16 the date of the enactment of this Act.

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